

Namchow holdings Co., Ltd.

2021 Q3 Investor Conference

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Disclaimer

Namchow's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of Namchow as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

- **Company Profile**
- **Review of operations**
- **Business Highlight**
- **Business Outlook**
- **Q & A**

Company Profile

Date of Incorporation : March 29, 1952

Date of stock listed : May 30, 1973

Paid-up capital : TWD 2,941 million

Name of Representative : Fei-Lung Chen

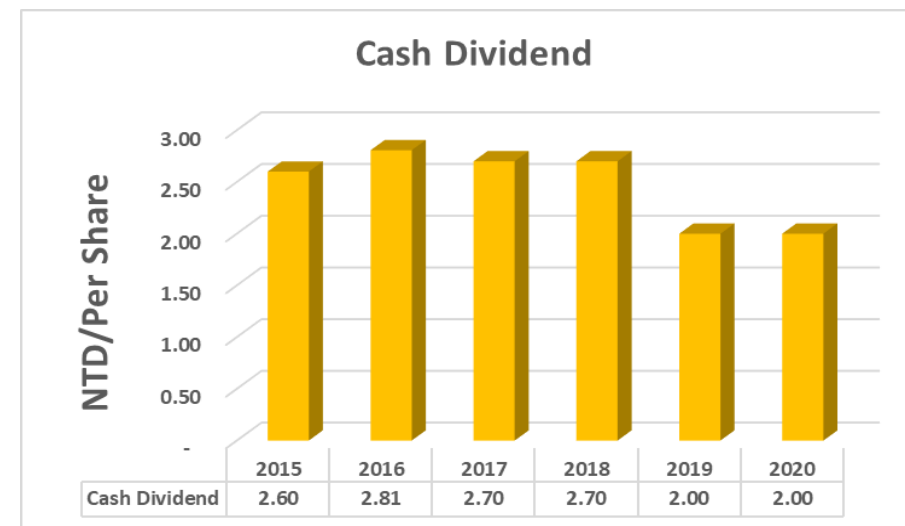
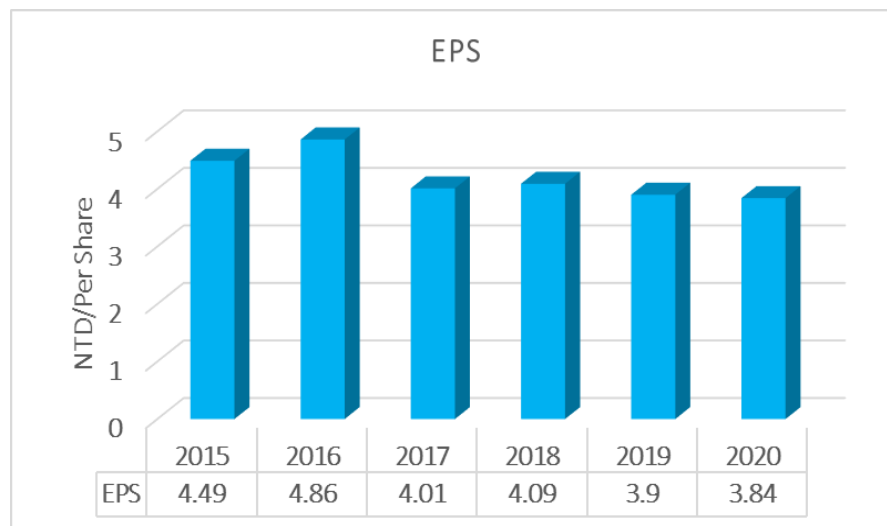
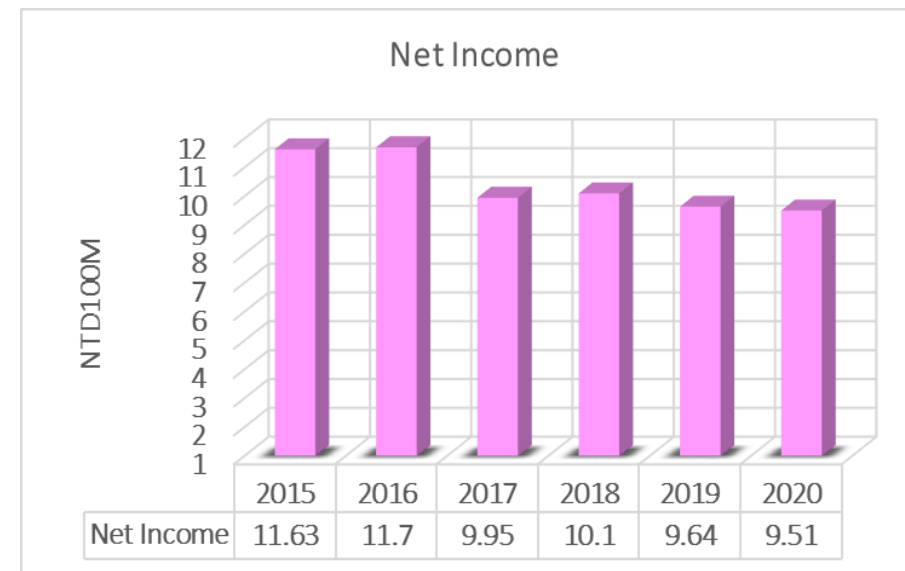
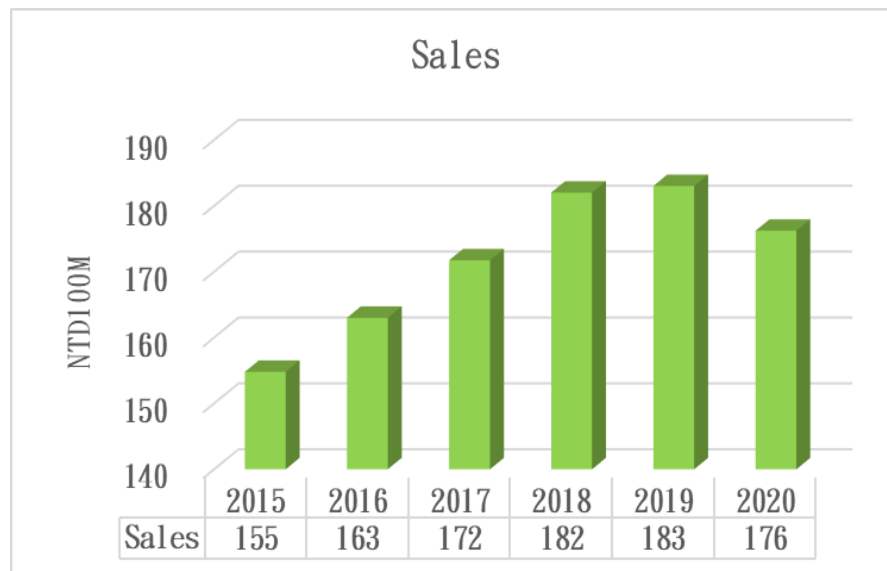
Scope of Business : Home product, Bakery oil, Frozen dough,
Ice cream, Frozen noodle, Aseptic cooked
rice, Instant noodle, rice crackers,
Dining.

Company Profile

Plant locations : Taoyuan Factory 、 Chungli factory 、 Tainan factory 、 Thailand factory 、 Tenjin factory 、 Guangzhou factory 、 Jinshan Shanghai (1st&2nd)

Food service locations : Taipei (Dian Shue Lou 、 Paulaner 、 Honbaryu Noodle Shop 、 Le vil du Petit Prince) 、 Shanghai (Paulaner) 、 Tokyo (Dian Shue Lou 、 Boutique hotel)

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Business Highlight-Consolidated Balance Sheets

Unit:NTD'000

	2021.09.30		2020.12.31		2020.09.30	
	amount	%	amount	%	amount	%
Current Assets	17,943,090	57%	10,796,850	43%	10,268,166	42%
Non-Current Assets	13,398,913	43%	14,543,634	57%	14,251,640	58%
Total Assets	31,342,003	100%	25,340,484	100%	24,519,806	100%
Current Liabilities	11,279,936	36%	11,043,938	44%	8,101,644	33%
Non-Current Liabilities	9,041,751	29%	7,341,157	28%	10,061,619	41%
Total Liabilities	20,321,687	65%	18,385,095	72%	18,163,263	74%
Stockholders' equity	11,020,316	35%	6,955,389	28%	6,356,543	26%
Total Liabilities and Equity	31,342,003	100%	25,340,484	100%	24,519,806	100%

Business Highlight-Consolidated income statement

Unit:NTD'000

	Q3-2021	Q3-2020	YoY(%)	Q3-2021 YTD	Q3-2020 YTD	YoY(%)
Revenue	4,909,167	4,794,812	2.4%	14,496,108	12,677,593	14.3%
Operating costs	3,459,730	3,123,018	10.8%	9,886,148	8,477,288	16.6%
Gross profit	1,449,437	1,671,794	-13.3%	4,609,960	4,200,305	9.8%
%	29.53%	34.87%	-5.3%	31.80%	33.13%	-1.3%
Operating expenses	1,066,370	1,109,641	-3.9%	3,282,437	3,078,362	6.6%
Operating profit	383,067	562,153	-31.9%	1,327,523	1,121,943	18.3%
%	7.80%	11.72%	-3.9%	9.16%	8.85%	0.3%
non-operating income and expenses	84,119	(864)	-9836.0%	74,309	(16,371)	-553.9%
Net income before tax	467,186	561,289	-16.8%	1,401,832	1,105,572	26.8%
income tax expense	152,030	212,503	-28.5%	518,775	438,925	18.2%
Net income	315,156	348,786	-9.6%	883,057	666,647	32.5%
%	6.42%	7.27%	-0.9%	6.09%	5.26%	0.8%
Net income attributable to Shareholders of the parent	253,791	333,621	-23.9%	793,326	640,150	23.9%
EPS(NTD/per share)	\$1.02	\$1.35	-\$0.33	\$3.20	\$2.59	\$0.61

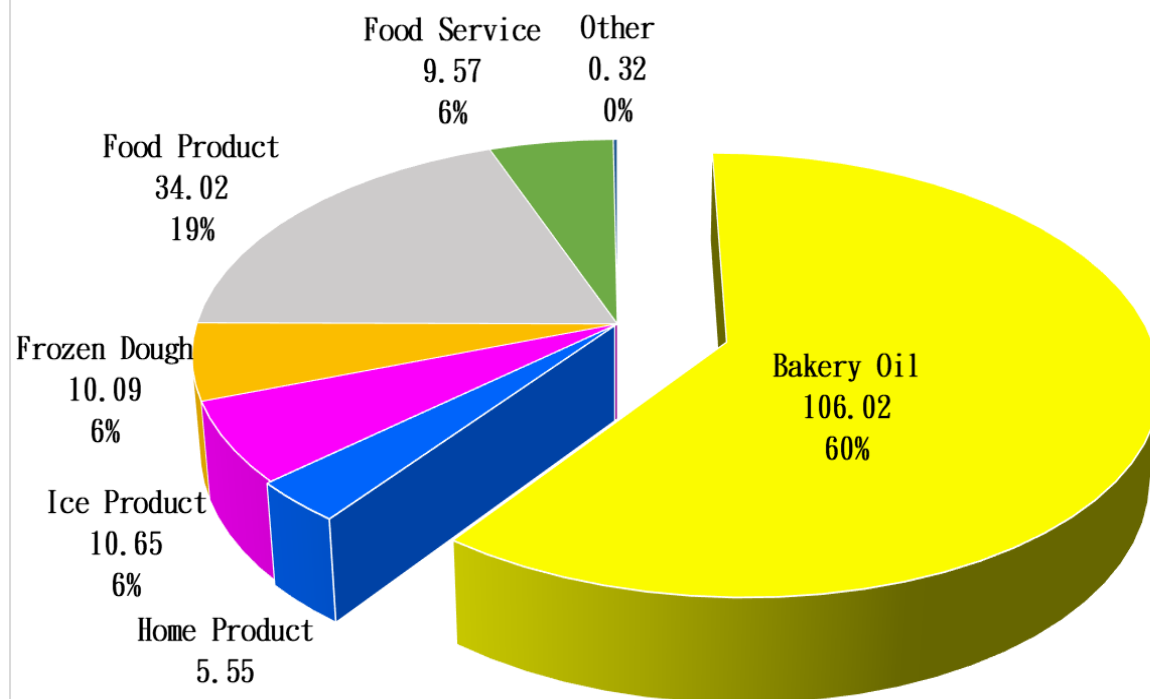
Business Highlight-Consolidated statement of cash flow

Unit:NTD'000

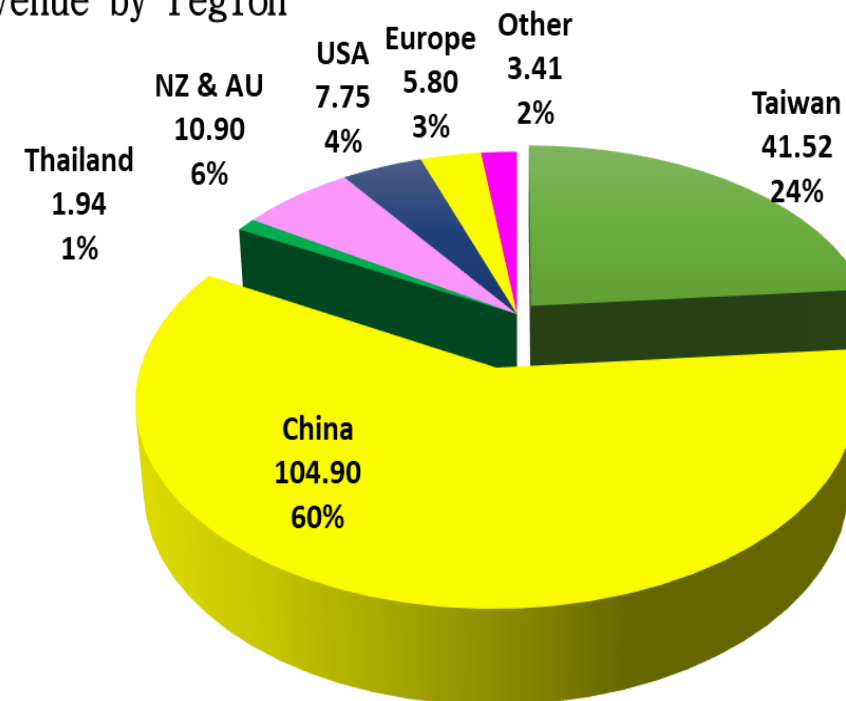
	Q3-2021 YTD	Q3-2020 YTD	YoY
Cash and cash equivalents at beginning of period	5,721,627	4,623,715	1,097,912
Net cash provided by operating activities	601,969	1,409,341	(807,372)
Net cash used in investing activities	(428,808)	(893,039)	464,231
Net cash provided by financing activities	6,405,343	111,659	6,293,684
Effect of exchange rate changes on cash and cash equivalents	(360,051)	(128,659)	(231,392)
Net increase (decrease) in cash and cash equivalents	6,218,453	499,302	5,719,151
Cash and cash equivalents at end of period	11,940,080	5,123,017	6,817,063

Business Highlight - 2020 YTD revenue

Revenue by product

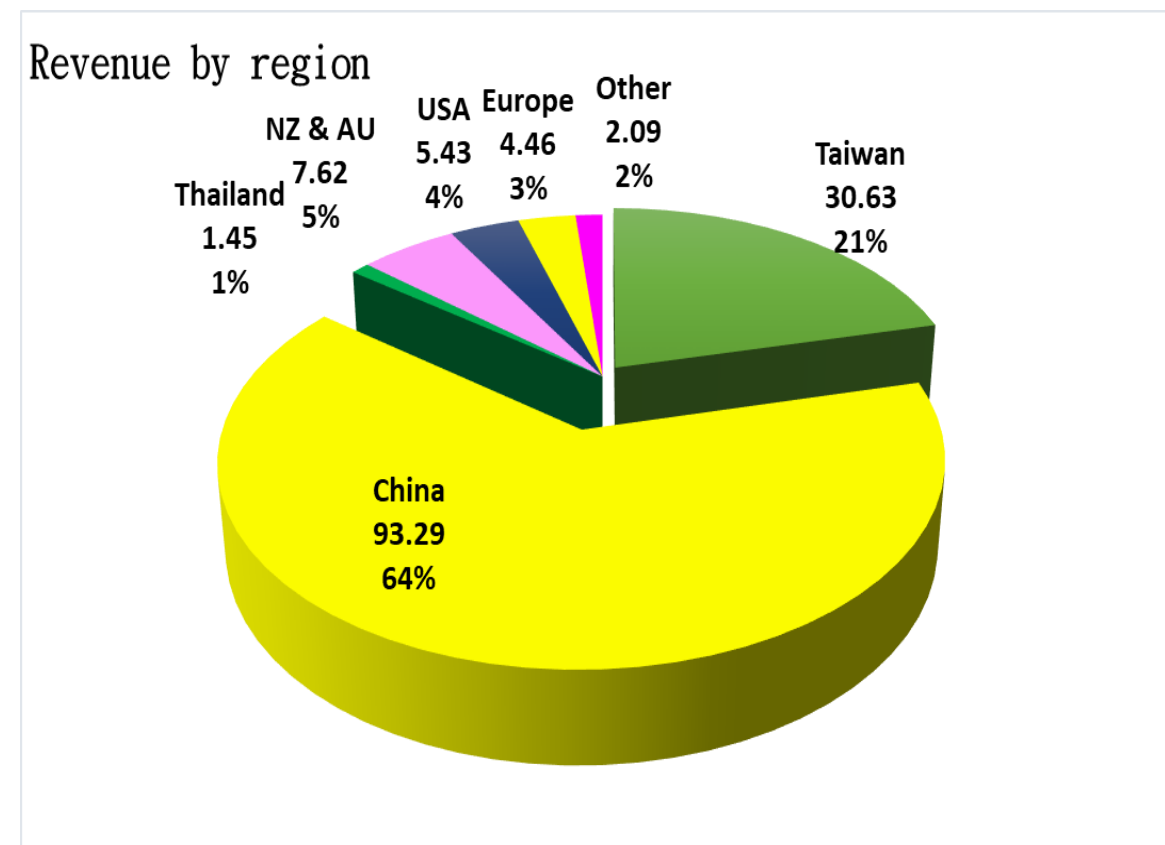
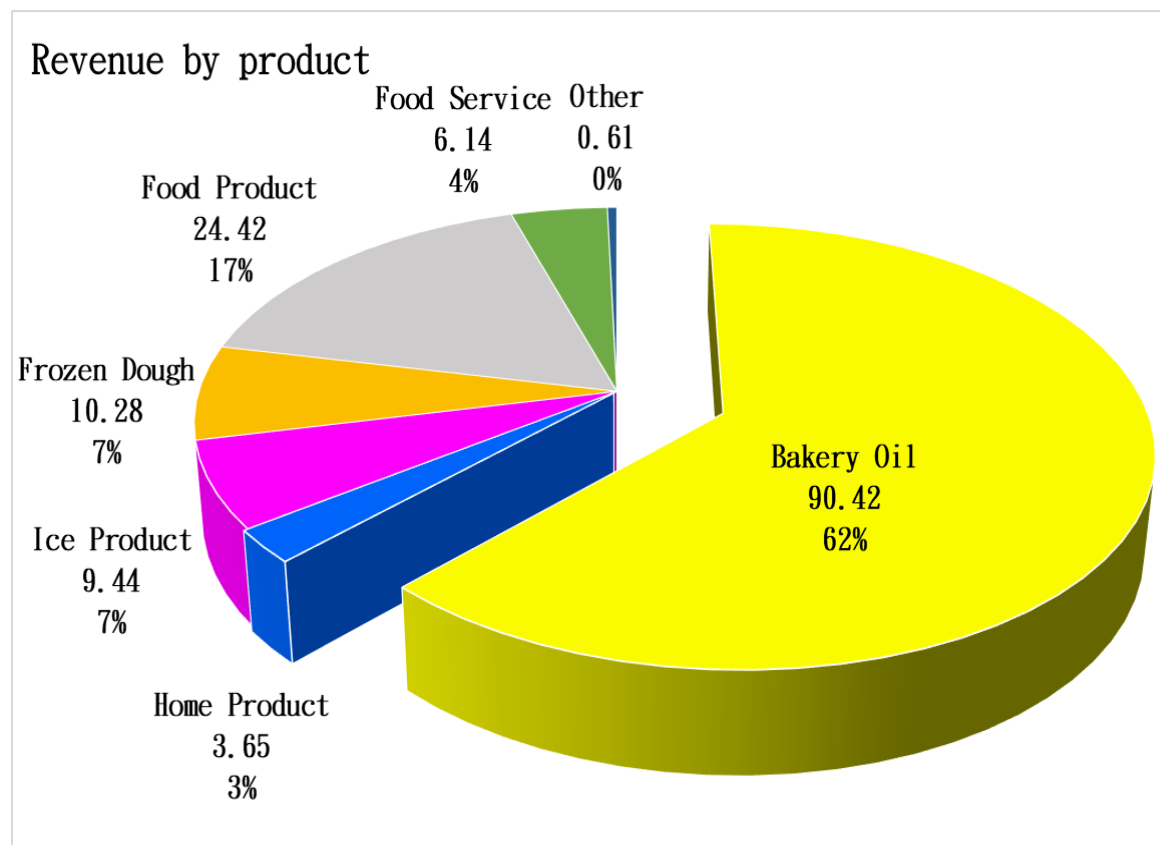


Revenue by region



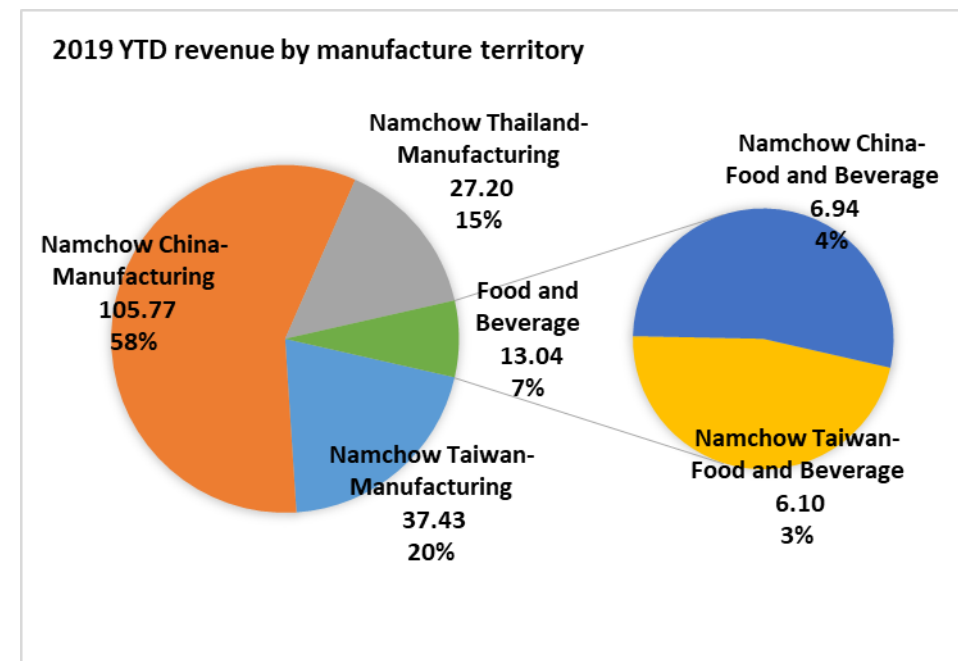
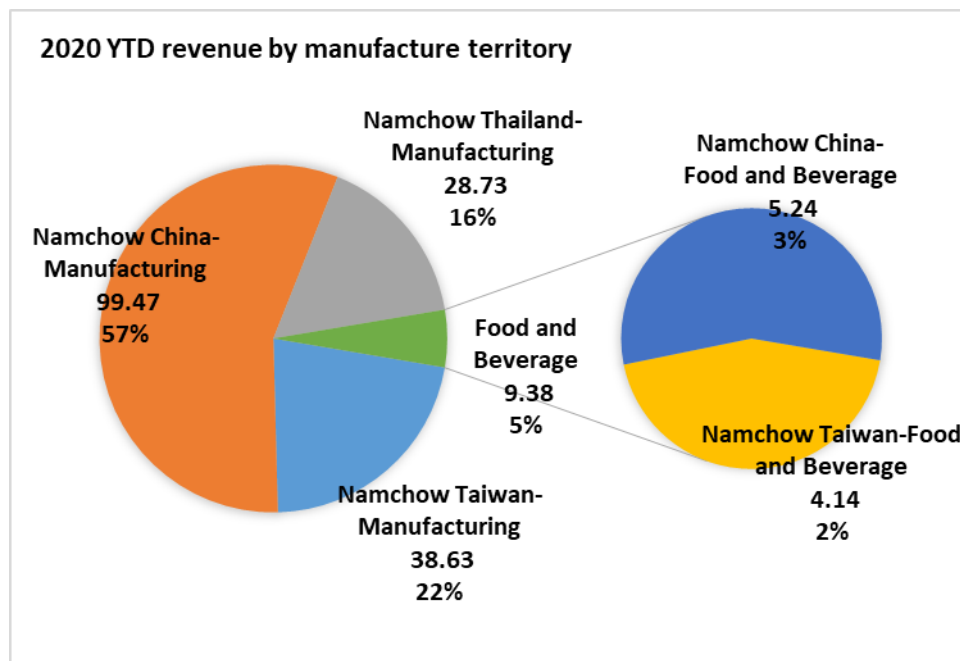
Unit: NTD 100M

Business Highlight - Q3-2021 YTD revenue



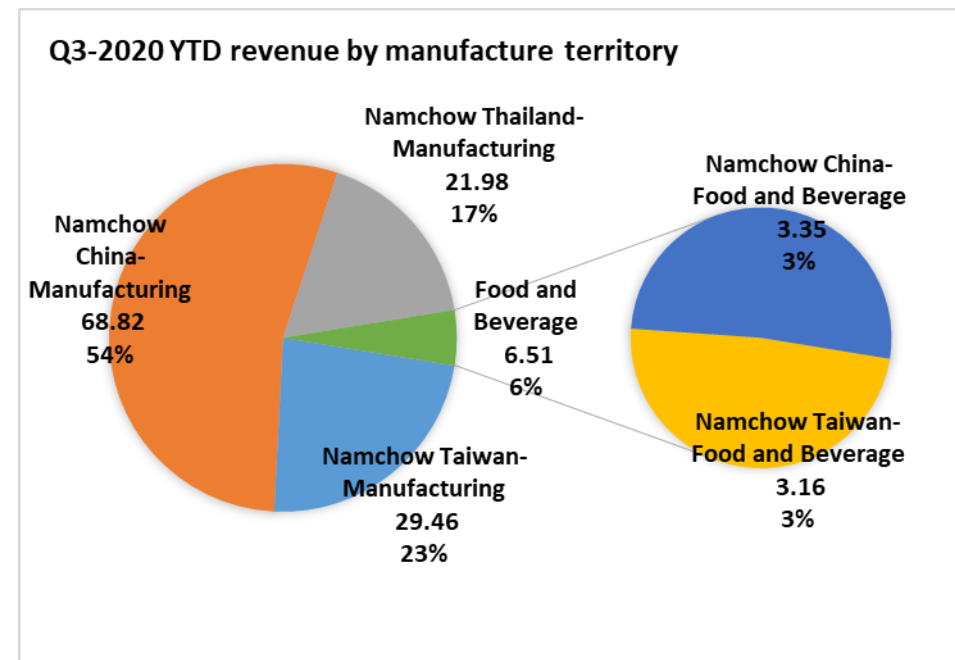
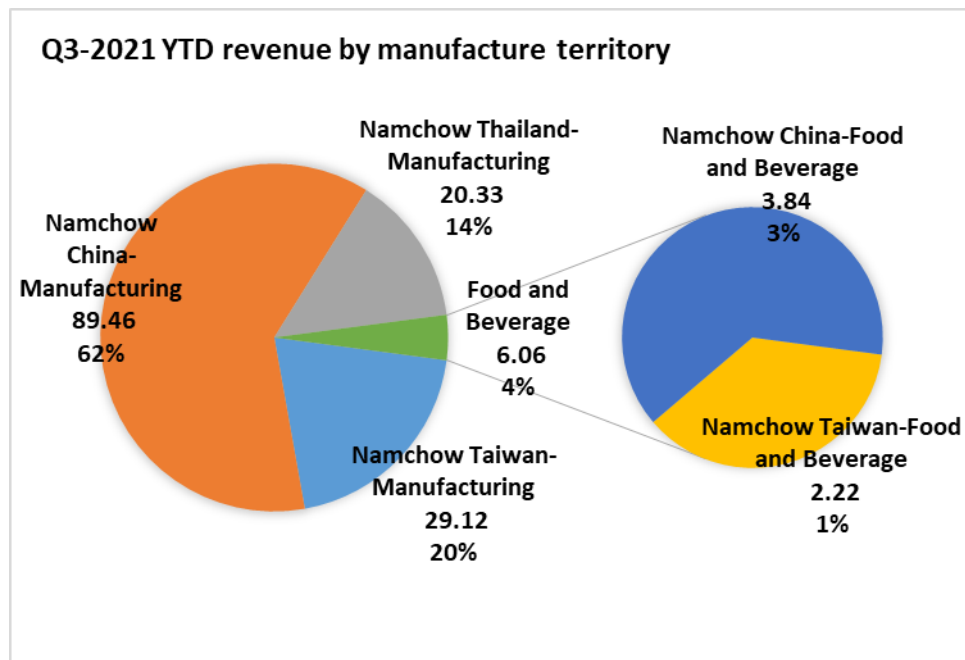
Unit: NTD 100M

Business Highlight- 2020 VS 2019 YTD revenue



Unit: NTD 100M

Business Highlight- Q3-2021 VS 2020 YTD revenue



Unit: NTD 100M

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Taiwan Oil & Fat

- Added the elements of food and beverage into the bakery application, and promoted bakery products new style to be as main meals and provided to meet customers' delicious and convenient expectations. Understood the changes of Taiwan's Baking Industry in the post epidemic era to open the first store in Taiwan, "community bakery and food and beverage complex store". Promote the new style(bakery and food and beverage complex) to customers to increase added value.
- With the coming peak season of Chinese New year, increase the inventory to ship.

Dairy products

- In addition to existing customers, develop strategic OEM and ODM products. Work with internationally and locally known brands in sales to help increase brand value. (Godiva and Lipton)

Home products

- Cooperate with probiotics (益菌の革命 TripleProbio) developed by TCI Co., Ltd.(大江生醫集團) to launch the new product(益生菌高效抗菌洗衣液體皂) to decrease the bad microbiota for a long time and protect the clothing fibers. Launch 「皂力淨洗衣液體皂」 to attain multiple effects 「clean + anti-bacteria + anti-mildew + mite-proof + hyposensitivity」, recommended by Panasonic.

Thailand Namchow

- The all new production capacity was set to manufacture rice cracker and the sales reached record high in 2020. The first stage goes into full production and the second stage will be all in place and will be in production next year.

China Oil & Fat

- On May 18, Namchow Food Group (Shanghai) issued A-shares in Shanghai. The issue price was RMB 16.98 and the IPO funding was RMB 1.07 billion(NTD 4.6 billion). The funding will be used in the new equipment and technical development in Shanghai factory, Tenjin factory and Guangzhou factory, cold chain storage, R&D center, call centers and the information system upgrading program.
- Participate China International Import Expo from Nov 05 to Nov 10 to promote products and communicate with domestic and foreign clients.

Q & A